

SINGAPORE REPORTS

CHIEF ASSESSOR, PROPERTY TAX,
SINGAPORE v. HOWE YOON CHONG[C.A. (Wee Chong Jin C.J., Choor Singh and D'Cotta JJ.)
November 20, 1978]

[Singapore — Civil Appeal No. 1 of 1978]

Revenue Law — Property tax — Valuation — Revision of annual value of land by Chief Assessor from \$1,340.00 to \$26,000.00 — Scope of s. 18, Property Tax Act — Property Tax Act (Cap. 144), ss. 2, 6(1) & (2), 8, 9, 10, 17(1), 18(1), (2), (3), (4) & (7), 28 — Federal Constitution of Malaysia, art. 8(1).

Constitutional Law — Equality before the law — Federal Constitution, art. 8(1).

The present appeal arose out of the Chief Assessor's decision (see [1978] 2 M.L.J. 87) to revise upwards the annual value for the year 1973 of a vacant plot of land belonging to the respondent and another as tenants-in-common in equal shares. The annual value of this property had stood at \$1,340 since 1953 as then assessed under the Municipal Ordinance. In April 1973 the respondent's father declared that he held the equal half-share in the property in trust for the respondent after reciting that his share was purchased out of monies provided by the respondent. On June 29, 1973, the respondent gave notice to the Chief Assessor of the transfer of his father's equal half-share in the property to him. Subsequently, the Chief Assessor, acting under the provisions of section 18 of the Property Tax Act gave notice on October 1, 1973 to the respondent that he proposed to amend the 1973 Valuation List by increasing the annual value of the property from \$1,340 to \$26,000. The respondent's objection to the proposed increase was rejected by the Chief Assessor. The respondent's appeal to the Valuation Review Board was dismissed. He appealed to the High Court which held that the Chief Assessor had acted outside the scope of section 18(7)(a) (iii) and therefore the Notice of October 1, 1973 was invalid and of no effect and any proceedings stemming from it were null and void. The Chief Assessor appealed.

Held, allowing the appeal: (1) a property must be assessed independently and correctly i.e. in accordance with its annual value under the Property Tax Act. Once this had been done, it was immaterial that, as a consequence, other comparable properties were in fact assessed incorrectly. The remedy then would be for the Chief Assessor to correct, in accordance with the provisions of the Property Tax Act, any incorrect assessments;

(2) the Chief Assessor was empowered by section 18 of the Property Tax Act to amend the Valuation List in respect of a property included in the Valuation List where he was of the opinion that its annual value did not correctly represent the annual value evidenced by, *inter alia*, the consideration paid on the sale of "similar property";

(3) section 18(7)(A)(iii) did not limit the discretion conferred on the Chief Assessor to amend the Valuation List in respect of a property included therein only to cases where there had been a sale or transfer for consideration or for value of that property.

Cases referred to:-

- (1) *R. v. Paddington Valuation Officer ex parte Peachey Property Corporation Ltd.* [1966] 1 Q.B. 380.
- (2) *Sunday Lake Iron Co. v. Wakefield* 247 U.S. 350.
- (3) *Ladies Hosiery and Underwear, Ltd. v. West Middlesex Assessment Committee* [1932] 2 K.B. 679.

The following cases were also cited in argument: *R. v. Deputy Industrial Injuries Commissioner — Ex parte Moore* [1965] 1 Q.B. 456, 487 & 490; *R. v. Cornwall County Valuation Committee & Ors.* [1937] 2 K.B. 222; *Double v. Assessment Committee of Southampton & Ors.* [1922] 2 K.B. 213; *Stirk & Sons Ltd. v. Halifax Assessment Committee* [1922] 1 K.B. 264; *Lilley and Skinner, Ltd. v. Essex County Valuation Committee* [1935] All E.R. Rep. 54; *Arsenal Football Club Ltd. v. Smith (Valuation Officer) & Anor.* [1977] 2 All E.R. 267; *Sioux City Bridge Co. v. Dakota* (1922) 260 U.S.

- A 441; *Chicago Great Western Railway Co. v. Kendall* (1924) 260 U.S. 94 S.C.; *Cumberland Coal Co. v. Greene Court Board* (1931) 284 U.S. 23 S.C.; *Datuk Haji Harun bin Haji Idris v. Public Prosecutor* [1977] 2 M.L.J. 155; *Lee Keng Guan & Ors. v. Public Prosecutor* [1977] 2 M.L.J. 95; *Associated Provincial Picture Houses Ltd. v. Wednesbury Corporation* [1948] 1 K.B. 223; *Myers v. Milton Keynes Development Corporation* [1974] 2 All E.R. 1096; *Flint v. Lovell* [1935] 1 K.B. 354, 360; *ABC v. Comptroller of Income Tax* [1959] M.L.J. 162; *Cannock Chase District Council v. Kelly* [1978] 1 All E.R. 152.

COURT OF APPEAL.

Geoffrey Rippon Q.C. (James Chia and G. Singh with him) for the appellant.

D.G. Widdicombe Q.C. (P. Selvadurai with him) for the respondent.

Cur. Adv. Vult.

Wee Chong Jin C.J. (delivering the judgment of the Court): In 1960 Parliament passed an Act called the Property Tax Ordinance 1960 (now called the Property Tax Act and hereinafter referred to as "the Act"). Its long title reads as follows:—

"An Ordinance to provide for the levy of a tax on immovable properties in lieu of the rates previously leviable by local authorities and to regulate the collection thereof."

The Act came into operation in 1961 and, as is apparent from its long title, is a tax act and not a rating act. The Act provides for a tax on ownership of immovable properties in terms of section 6(1) and (2) which reads as follows:—

"6.—(1) Commencing from the 1st day of January 1961, a property tax shall, subject to the provisions of this Act, be payable at the rate or rates specified hereinafter for each year upon the annual value of all houses, buildings, lands and tenements whatsoever included in the Valuation List authenticated under section 13 of this Act and amended from time to time in accordance with the provisions of this Act.

(2) The tax shall be payable half-yearly in advance, without demand, by the owner of such property at the offices of the Comptroller or other prescribed place or places in the months of January and July or within such other time in each half year as is prescribed."

Section 8 of the Act specifies the rate of tax and reads as follows:—

"8. The tax payable in respect of each year shall be at the rate of thirty-six per cent upon the annual value of every property included in the Valuation List:

Provided that the Minister may by order published in the Gazette direct that the tax payable in respect of properties within any area or areas shall be at such a rate or rates being less than the rate prescribed by this section for such period or periods as may seem equitable to the Minister:

Provided also that the Minister may by order published in the Gazette direct that the tax payable in respect of —

(a) any dwelling-house or part thereof; or

(b) any industrial premises,

occupied as such by the person whose name appears in the Valuation List as the owner of the property concerned, shall be at a rate less than the rate prescribed by this section."

The present appeal arises out of the Chief Assessor's proposal to revise upwards the annual value for the year 1973 of a vacant plot of land T.S. XXVII Lot 61-134 with an area of approximately 15,000 square feet situate in a quiet and residential district known as Cairnhill. This property is owned by Howe Yoon Chong, the respondent, and another as tenants in common in equal shares. The annual value of this property had stood at \$1,340 since 1953 as then assessed under the Municipal Ordinance (when a rating

system was in force). The Chief Assessor proposed to assess the annual value at \$26,000 for the year 1973. He had to act in accordance with the provisions of the Act and so we must now look at the relevant provisions of the Act. These provisions read as follows:—

"2. In this Act, unless the context otherwise requires—
'annual value', as used of a house or building or land or tenement... means the gross amount at which the same can reasonably be expected to be let from year to year,...

Provided that—

(a)

(b) in assessing the annual value of any property the 'annual value' of such property shall, at the option of the Chief Assessor, be deemed to be the annual value as hereinbefore defined or the sum which is equivalent to the annual interest at five percent—

(i) on the estimated value of such property, including buildings, if any, thereon; or...

9.—(1) The Chief Assessor shall cause to be prepared a list, which shall be known as the 'Valuation List', of all houses, buildings, lands and tenements:

(2) The Valuation List shall contain in respect of all houses, buildings, lands and tenements—

(a) a description or designation sufficient for identification;

(b) the name of the owner;

(c) the annual value ascribed thereto; and

(d) such other particulars as the Chief Assessor may from time to time deem necessary.

10. It shall be in the discretion of the Chief Assessor either to cause to be prepared a new Valuation List every year or to adopt the Valuation List then in force, with such alterations and amendments as may have been made from time to time in accordance with the provisions of this Act.

17.—(1) Whenever any estate or interest in any house, building, land or tenement included, or capable of being included, in a Valuation List is sold or transferred whether by instrument or operation of law or otherwise the vendor or transferor shall within one month after such sale or transfer give notice thereof to the Chief Assessor in such form as may be prescribed by the Chief Assessor.

18.—(1) Where it appears that any Valuation List is or has become inaccurate in any material particular, the Chief Assessor may, on the application of any person interested, or otherwise, and in the manner hereinafter provided, amend the Valuation List accordingly.

(2) When, in pursuance of subsection (1) of this section, the Chief Assessor considers it desirable that an amendment should be made to any Valuation List he shall give notice thereof to the owner of the property concerned stating what amendment is considered desirable and the date from which it is proposed the amendment shall take effect.

(3) Any owner who desires to object to such amendment may, within twenty-one days of the service of such notice, give to the Chief Assessor notice of objection in the manner prescribed in section 12 of this Act.

(4) Any owner dissatisfied with the decision made by the Chief Assessor under this section may, within twenty-one days after such service appeal to the Valuation Review Board in the manner provided in section 26 of this Act.

(7) For the purposes of this section, the Valuation List shall be deemed to be inaccurate in a material particular where—

(a) the Chief Assessor is of the opinion that the annual value of a property included in the Valuation List does not correctly represent the annual value evidenced by—

(i)

(ii)

(iii) the consideration paid or value passing on the sale or transfer directly or indirectly of any estate or interest in that or similar property, including the sale or transfer of seventy-five per cent or more of the issued ordinary shares of a land-owning company, whether

A or not the Chief Assessor exercises the option given in paragraph (b) of the proviso to the definition of 'annual value' in section 2 of this Act;"

We come back to the facts. The property at Cairnhill had been purchased in 1960 (before the passing of the Act) by the respondent's father and a Madam Lee Yuet Lin as tenants in common in equal shares. Twelve years later on December 19, 1972 the respondent's father by a Statutory Declaration affirmed that his share in the property was purchased from monies wholly provided by the respondent, Howe Yoon Chong. About four months after the respondent's father had made the Statutory Declaration he conveyed his interest in the property to the respondent. The Deed of Conveyance is dated April 4, 1973 and is preceded by a Declaration of Trust dated the same day whereby the respondent's father declared that he held the equal half-share in the property in trust for the respondent after reciting that his share was purchased out of monies provided by the respondent.

As required by section 17(1) of the Act, on June 29, 1973 the respondent, through his solicitors, gave notice to the Chief Assessor of the transfer of his father's equal half-share in the property to him. Although there appears to be no direct evidence, the yearly practice of the Chief Assessor since the Act came into operation has been to adopt the Valuation List then in force. Subsequently, the Chief Assessor, acting under the provisions of Section 18 of the Act gave notice on October 1, 1973 to the respondent that he proposed to amend the 1973 Valuation List by increasing the annual value of the property from \$1,340 to \$26,000. The respondent's objection to the proposed increase was rejected by the Chief Assessor. The respondent appealed to the Valuation Review Board. He raised two main grounds namely:—

F "(a) The Chief Assessor erred in law and in fact in increasing the annual value of the Appellant's property in comparison with other similar properties in Singapore; and
(b) The proposed valuation or increased valuation of the Appellant's property is ultra vires the Property Tax and the Constitution of the Republic of Singapore."

The respondent called evidence of an expert in land valuation who gave his opinion that in 1973 the value of the property was approximately \$226,750 as against the Chief Assessor's valuation of \$520,625 which appears in the Chief Assessor's Report to the Valuation Review Board as required by section 28(1) of the Act, which reads as follows:—

"28.—(1) On receipt of the copy of notice of appeal the Chief Assessor... shall, within three months from the date thereof, carry out such investigations as he thinks necessary and submit to the Board a report setting out the facts of the case together with his recommendation, if any, for revision of the annual value."

The Valuation Review Board confirmed the annual value as proposed by the Chief Assessor and dismissed the respondent's appeal.

I The respondent appealed to the High Court by way of an Originating Motion dated December 30, 1975 naming the Chief Assessor as respondent. When the appeal came on for hearing before Rajah J., Mr. Widdicombe, counsel for the respondent tendered what is described as "Appellant's List of Issues" and which reads:—

"1. Does the rule in the *Ladies Hosiery Case* [1932] 2 K.B. 679, namely that correctness must not be sacrificed to uni-

formity, apply in Singapore? The Appellant contends that it does not, because of *inter alia* Article 8 of the Constitution of Singapore which lays down that 'all persons are entitled to the equal protection of the law'.

2. Assuming that the rule in the *Ladies Hosiery Case* does not apply in Singapore, what should the assessment be? The Appellant contends for an assessment of \$7,438.

3. Assuming that the rule in the *Ladies Hosiery Case* does apply in Singapore, what should the assessment be? The Appellant contends for an assessment of \$11,157.

4. The validity of the Chief Assessor's proposal to amend the Valuation List pursuant to section 18 of the Property Act, i.e. was there a 'transfer' for the purpose of section 18(7)(a)(iii) of the Act.

5. The validity of the Valuation List."

Both parties adduced affidavit and oral evidence as to the annual value in 1973 of the property and other similar properties but in the result Rajah J. made no findings on the evidence as he decided in favour of the respondent on the 4th issue in the "Appellant's List of Issues" and allowed the appeal.

In his judgement, Rajah J. sets out Mr. Widdicombe's contention on the 4th issue in the following words:—

"It was not in dispute that the ground on which the Chief Assessor had served his notice under section 18(2) was section 18(7)(a)(iii). Counsel for the Appellant, Mr. Widdicombe, primarily contended that the notice served by the Chief Assessor under section 18(2) of the Act was invalid for the reason that he had no grounds under section 18(7) of the said Act which enabled him to serve the said notice, and more particularly, that section 18(7)(a)(iii) on its true construction, and on the facts of the case, was not a ground the Chief Assessor could have used for action under section 18(2). . . .

Mr. Widdicombe's complaint insofar as this particular notice is concerned is this, that the transfer to his client of the one undivided equal half-share was not a transfer for a consideration but was merely a transfer of the bare legal estate from a trustee vested with such estate (the transferor) to the Appellant (the beneficiary) who since November 1960 had had the beneficial interest in such half-share. He urges upon me to construe section 18(7)(a)(iii) of the Act to mean that only in cases where there has been consideration passing does it enable the Chief Assessor to make use of it for action under section 18(2) of the Act. He says that in this transfer to the Appellant no consideration passed and that the stamping of the transfer document at \$10 proves this."

Rajah J. accepted Mr. Widdicombe's contention in the following words:—

"I accept Mr. Widdicombe's submission on section 18(2) and 18(7)(a)(iii) of the said Act. In my judgment, the Chief Assessor acted outside the scope of the said section 18(7)(a)(iii) and therefore Notice No. A.117324 dated 1st October 1973 is invalid and of no effect and any proceedings stemming from it are null and void. This, in my view, is enough to dispose of this appeal in favour of the Appellant."

In our opinion Rajah J. erred in accepting Mr. Widdicombe's construction of section 18(7)(a)(iii). Such a construction totally ignores the words "or similar property" in that sub-paragraph. In our judgment section 18 clearly empowers the Chief Assessor to amend the Valuation List in respect of a property included in the Valuation List where he is of the opinion that its annual value does not correctly represent the annual value evidenced by, *inter alia*, the consideration paid on the sale of "similar property". Section 18, and in particular section 18(7)(a)(iii), does not limit the discretion conferred on the Chief Assessor to amend the Valuation List in respect of a property included therein only to cases where there has been a sale or transfer for consideration or for value of that property.

We have been informed that there are over 200,000 properties in the Valuation List and it may well be that in practice the Chief Assessor's attention is drawn to the annual value of a property included in the Valuation List only when there is a sale or transfer of that property because of the statutory requirement (section 17(1)) of notice to him of the sale or transfer. It is plain that if the sale or transfer of that property is for value he would be remiss in his duty if he does not, in the case of vacant land, initiate action to enable him to form an opinion whether or not the annual value of that property correctly represents the annual value as evidenced by the consideration paid on the sale or transfer. That this is plain is because of the definition of "annual value" in the Act and of the fact that land values are never constant. But it does not follow that once his attention is drawn to a property by the statutory notice of sale or transfer he does not or cannot initiate action to enable him to form an opinion of its current annual value because no consideration was paid on the sale or transfer. In such a case, where he does initiate such action and thereupon his attention is drawn to recent sales of similar properties, then, in our opinion, he can avail himself of the provisions of section 18, if the facts so warrant.

In the present case, on the evidence before the Valuation Review Board and before the High Court we are in no doubt that the Chief Assessor was entitled to give the notice under section 18(2) to the respondent of his proposal to amend the 1973 Valuation List.

Before us, the respondent, in his formal Respondent's Notice and through his counsel, Mr. Widdicombe, contends that the decision of Rajah J. ought to be affirmed on the ground that it was conceded by the appellant at the hearing before Rajah J. that the notice under section 18(2) was served in consequence of the respondent's notice under section 17 and not in consequence of sales or transfers of similar properties within the vicinity of the subject matter.

The Record of Appeal which includes Rajah J.'s notes of the hearing before him contains no clear concession made by Mr. Chia, counsel on behalf of the Chief Assessor. The notes of Rajah J. on this "concession" appear at page 45 of the Record of Appeal and we reproduce it:—

"Mr. Widdicombe in reply:

The thing that sparked off the assessment was the (Notice of Transfer). This in turn led to notice under (section) 18. Burden on Assessor to show.

The subject property sparked off the notice under 18(2) — Chia."

Mr. Widdicombe informs us that he understood Mr. Chia as having made a clear concession as stated above. Mr. Chia, who appeared before us as junior counsel with Mr. Rippon for the Chief Assessor, informs us that that he did not so concede but that Rajah J.'s note accurately reflected what he had said before Rajah J. As counsel are unable to agree we can only be guided by the notes of Rajah J. wherein he recorded that Mr. Chia said "The subject property sparked off the notice under 18(2)". In his judgment, the only relevant reference appears at page 112 of the Record of Appeal and the passage reads:—

"The Chief Assessor, through his counsel, Mr. Chia, has stated that it was the notice of transfer relating to the transfer of the undivided half-share to the Appellant which brought about his action under section 18(2) of the Act."

What seems to us clear is that Rajah J. understood Mr. Chia to have "conceded" that it was the notice of transfer which "brought about" the Chief Assessor's action under section 18(2). In our opinion the fact that this was so does not amount to the concession as contended by the respondent. In any event, we think it clear from the fact that the Chief Assessor's section 18(2) notice was sent out approximately 3½ months after the respondent's section 17(1) notice and from the Chief Assessor's statutory report to the Valuation Review Board in which he said that his proposed annual value was fair and reasonable in the light of sales of comparable lands in the vicinity, that the Chief Assessor had acted under section 18 because of the information derived from sales of similar properties. Accordingly, his section 18(2) notice was, in our opinion, a valid notice.

We turn now to deal with the 5th Issue of the "Appellant's List of Issues". The respondent's case is that the 1973 Valuation List was invalid, void and of no effect. First, the respondent contends that the 1973 Valuation List was not a Valuation List as required by the Act for the following reasons:—

- (1) It is common ground that the Chief Assessor acting under section 10 adopted the 1972 Valuation List.
- (2) Section 9 requires the Chief Assessor to include in the Valuation List "all houses, buildings, lands and tenements" and "the annual value ascribed thereto".
- (3) The affidavit evidence of Ronald Chua and Tan Ah Bah is that the 1973 Valuation List is not up-to-date as to the "annual values", as defined in section 2, of all houses, buildings, lands and tenements. Also it does not contain all properties in Singapore which were liable to tax under the Act.
- (4) The 1973 Valuation List, being inaccurate and not up-to-date as to the annual values of all properties included in it and not containing all properties liable to tax under the Act, is therefore fundamentally invalid because the Act imposes a duty on the Chief Assessor to prepare or adopt a Valuation List which contains up-to-date valuations or re-valuations of all houses, buildings, lands and tenements liable to tax.

Mr. Widdicombe's argument, as we understand it, is that the Chief Assessor adopted the 1972 Valuation List on entirely the wrong basis, contrary to the directions in the Act and consequently the list is invalid, void and of no effect. He relies on the English case of *Regina v. Paddington Valuation Officer ex parte Peachey Property Corporation Ltd.*⁽¹⁾ In our opinion that case is clearly distinguishable. Our Act is an act which imposes a tax on property. In the *Peachey* case the Court of Appeal was considering a rating act in relation to an application for, *inter alia*, *certiorari* to quash the valuation list, which came into force in 1963, prepared by the valuation officer under the Rating and Valuation (Miscellaneous Provisions) Act,

- A 1955. In any event, the majority decision on the facts was that the rate payer had failed to establish any mistake in law going to the root of the list. As was pointed out by Salmon L.J. (as he then was), to destroy the whole 1963 valuation list, Peachey Property Corp. would have "to establish the case they set out to prove — a case that came very close to a charge of bad faith against those responsible for the preparation of the list".
- B

In our case, the respondent called no evidence to prove this ground before the Valuation Review Board and the evidence before the High Court was, in our opinion, insufficient to establish this ground.

- C The evidence for the respondent is that because of the shortage of manpower, it was not possible for the valuation officers of the Property Tax Division "to update the assessments of all existing properties in the Valuation List or assess all the new properties that had come into being" and that, consequently, the result was that the list "was inevitably a patchwork of annual values fixed at different dates over a period of many years" and that "generally speaking, only a small number of the total number of the properties in the Valuation List were re-assessed in any year". The evidence for the Chief Assessor is that the Valuation List is constantly kept up to date and re-assessment is carried out district by district and also as and when a Notice of Transfer under section 17 is received by the Chief Assessor's department.
- D
- E

- F In our judgment the most that the respondent may have succeeded in establishing is that in every Valuation List some properties that had become liable to tax had not been included in the current Valuation List. That alone is not sufficient to invalidate the whole Valuation List. Even if, added to that fact, it is accepted that every current Valuation List "was inevitably a patchwork of annual values fixed at different dates over a period of many years", we are of the opinion that the respondent has fallen far short of establishing that the Chief Assessor's 1973 Valuation List was invalid because he had acted on entirely the wrong basis and contrary to the directions in the Act.
- G

This brings us to Mr. Widdicombe's alternative contention that if the 1973 Valuation List is valid, then the Act itself contravenes article 8(1) of the Federal Constitution of Malaysia. Article 8(1) is part of the constitutional law of Singapore and it reads as follows:—

- H "8. Equality.

(1) All persons are equal before the law and entitled to the equal protection of the law."

It is contended that the Act contravenes article 8(1) because the Act failed to provide for an equal and up-to-date Valuation List. Having regard to the provisions of the sections of the Act which we have already set out we reject this contention.

I

Another contention advanced by Mr. Widdicombe is that the Chief Assessor in re-valuing upwards the annual value of the respondent's property without at the same time re-valuing the annual values of other properties, knowing full well that their annual values were out of date, has intentionally discriminated against

the respondent and, as such, the respondent has been denied the right to "the equal protection of the law".

In support of this contention Mr. Widdicombe relies on American cases on the equal protection clause of the Fourteenth Amendment of the American Constitution to the effect that no State shall "deny to any person within its jurisdiction the equal protection of the laws". The American law is contained in the decision of the Supreme Court of the U.S.A. in *Sunday Lake Iron Co. v. Wakefield*.⁽²⁾ The relevant passage of the Opinion of that Court reads:—

"The purpose of the equal protection clause of the Fourteenth Amendment is to secure every person within the State's jurisdiction against intentional and arbitrary discrimination, whether occasioned by express terms of a statute or by its improper execution through duly constituted agents. And it must be regarded as settled that intentional systematic under-valuation by State officials of other taxable property in the same class contravenes the constitutional right of one taxed upon the full value of his property."

In our opinion no case can be made on the evidence, direct or by inference, of an intentional and arbitrary discrimination by improper execution of his statutory duties on the part of the Chief Assessor against the respondent, nor can the evidence support a finding that there was intentional systematic under-valuation by the Chief Assessor of other taxable properties in the same class as the respondent's property.

Next, we have to consider the 1st Issue of the "Appellant's List of Issues". The so-called rule in the *Ladies Hosiery case*,⁽³⁾ namely, that correctness must not be sacrificed to uniformity, was laid down by the English courts in rating cases. This rule was enunciated by Scrutton L.J., after he had said in his judgment (at page 686) that "It is a vital principle of the law of rating that each hereditament should be assessed independently". Later on in his judgment, Scrutton L.J. said (at page 688):—

"The appellants here, however, say that besides the principle of independent valuation, there is another vital principle: that as between different classes of hereditaments and as between different hereditaments in the same class, the valuation should be fair and equal. I agree, but in my view there is a third qualification, that the assessing authority should not sacrifice correctness to ensure uniformity, but, if possible, obtain uniformity by correcting inaccuracies rather than by making an inaccurate assessment in order to secure uniform error."

The respondent contends that the so-called rule in the *Ladies Hosiery case* does not apply in Singapore. The contention is that if the Chief Assessor assesses the annual value of a property in conformity with the definition of "annual value" in the Act, i.e. "correctly" or "accurately", and by so doing the property is assessed at a sum higher than the assessments of other comparable properties in the Valuation List, then the owner of the property that has been accurately assessed has been denied the equal protection of the law which is guaranteed to him by article 8(1) of the Constitution. We are unable to accept that contention.

The law, as enacted by the Act, is that each property should be assessed independently and in accordance with the provisions in the Act. In our judgment, it would be contrary to common sense, if, complying with the provisions of the Act, the Chief Assessor arrives at a correct sum for a property, his

assessment is struck down as contrary to article 8(1) because other comparable properties have been incorrectly assessed by him. It would be patently absurd for a court to say to the Chief Assessor that although he had assessed a property in accordance with its correct annual value, he had acted unlawfully or *ultra vires* Article 8(1) because he should have, at the same time, corrected incorrect assessments of other comparable properties so that all comparable properties are thus uniformly assessed. In our opinion, the basic principle under the Act is that a property must be assessed independently and correctly i.e. in accordance with its annual value. Once this is done, it is immaterial that, as a consequence, other comparable properties are in fact assessed incorrectly. The remedy then would be for the Chief Assessor to correct, in accordance with the provisions of the Act, any incorrect assessments.

Lastly, it is contended that the Chief Assessor's assessment of the annual value of the property was wrong and that the correct assessment should be at \$11,157. on which property tax at the rate of 36% is payable. It is to be observed that this issue was raised by the respondent at the hearing before the Valuation Review Board. At that hearing the respondent called a land valuer who gave evidence that because of the topography of the property and other physical restrictions he would value the property at \$25 per sq. ft. i.e. \$226,750. The annual value would thus be \$11,337.50. The Valuation Review Board rejected this evidence and accepted the annual value of \$26,000 as proposed by the Chief Assessor. In the Chief Assessor's report, which was before the Board by virtue of section 28(1) of the Act, are assessments of comparable properties based, mostly, on sales of those properties. One such sale was in April 1973 of vacant land of approximately the same area as and situated adjacent to the respondent's property at the price of \$41 per sq. ft.

As we have not been persuaded that the Valuation Review Board erred in principle or that there was no proper evidence on which the Board could properly have acted upon in affirming the Chief Assessor's proposed assessment this contention must also fail.

Accordingly, we would allow the appeal and restore the decision of the Valuation Review Board confirming the assessment of the Chief Assessor of the annual value of the property at \$26,000. The appellant is entitled to costs here and in the High Court.

Appeal allowed.

Solicitors: Rodyk & Davidson.